



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE

STATE OF CALIFORNIA

FILED

06-29-07

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In the Matter of the Application of SOUTHERN)
CALIFORNIA EDISON COMPANY (U 338-E))
for a Certificate of Public Convenience and)
Necessity Concerning the Tehachapi Renewable)
Transmission Project (Segments 4 through 11))

Application No. _____
(Filed June 29, 2007) 06031

APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
CONSTRUCT THE TEHACHAPI RENEWABLE TRANSMISSION PROJECT

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Dated: June 29, 2007

**APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)
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CONSTRUCT THE TEHACHAPI RENEWABLE TRANSMISSION PROJECT**

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Pursuant to Sections 1001, 1003.5, and 1004 et seq. of the California Public Utilities Code, the California Environmental Quality Act ("CEQA") (Public Resources Code § 21000 *et seq.*), the California Public Utilities Commission's ("Commission") General Order 131-D ("G.O. 131-D"), and the Commission's Rules of Practice and Procedure, Southern California Edison Company ("SCE") requests a Certificate of Public Convenience and Necessity ("CPCN") to permit SCE to construct the Tehachapi Renewable Transmission Project ("TRTP").

I. INTRODUCTION

SCE is proposing to construct the TRTP to provide the electrical facilities necessary to integrate levels of new electric generation, in excess of 700 megawatts ("MW") and up to 4,500 MW, to the high-voltage transmission grid. TRTP would consist of a series of new and upgraded high-voltage transmission lines and substation facilities that will allow generating resources, consisting primarily of wind generation, that are planning to locate in the Tehachapi and Big Creek Corridor areas to deliver electricity from new wind farms in eastern Kern County, California, to the Los Angeles Basin.

The TRTP will enable California utilities to comply with the State of California's Renewable Portfolio Standard by providing access to planned renewable resources in the Tehachapi Wind Resource Area ("TWRA") of Kern County, California. TRTP will increase the

capability of proposed renewable generation projects to connect to the CAISO-controlled grid, supporting compliance with the State of California's Renewable Portfolio Standard ("RPS")¹ and California legislation requiring substantial reductions in greenhouse gas emissions.

In Decision Nos. ("D.") 07-03-012 and D.07-03-045, granting SCE authority to construct the Antelope-Pardee transmission line project ("Segment 1"), the Antelope-Vincent ("Segment 2"), and the Antelope-Tehachapi ("Segment 3") transmission line projects (together the Antelope Transmission Project ("ATP")), the Commission determined there is a need to construct transmission lines in the Tehachapi region to facilitate the Renewables Portfolio Standard ("RPS") goals set forth in § 399.11, et. seq.² The CAISO Board of Governors approved TRTP on January 24, 2007, as network upgrades necessary to allow generating facilities in the TWRA to deliver their output and reliably interconnect with the CAISO-controlled grid. The CAISO has directed SCE to proceed with the permitting and construction of the Tehachapi Project, which consists of the Antelope Transmission Project ("ATP" or "Segments 1-3"), and the TRTP Project ("Segments 4-11"). Together, the ATP and TRTP projects consist of eleven segments, which make up a comprehensive set of transmission facilities in an overall plan to interconnect vital wind generation in the Tehachapi area to SCE's transmission system.

Please refer to Chapters ES-1 and 1.0 of the attached Proponent's Environmental Assessment ("PEA") for the purpose and need of TRTP, Chapter 2.0 of the PEA for a description of the project alternatives, and Chapter 3.0 for a detailed project description.

II. CONDITIONS ON THE FILING OF THIS APPLICATION

Consistent with SCE's requests in A. 04-12-007 and A. 04-12-008 and the resulting Commission orders on the Antelope Transmission Project (D. 07-03-012 and D. 07-03-045), as well as D.06-06-034, SCE submits this CPCN application with the condition that there must be a

¹ The RPS program requires retail sellers of electricity to increase their sale of electricity produced by renewable energy resources to 20% by 2010.

² Those decisions include, without limitation, D.03-07-033, D.04-06-010, and D.06-06-034.

clear cost recovery mechanism before SCE commences construction. This filing is contingent upon a Commission order in this proceeding similar to its orders in D.07-03-012 and D.07-03-045. SCE requests that the Commission explicitly establish that, pursuant to Pub. Util. Code § 399.25, SCE can recover through CPUC-jurisdictional rates all prudently incurred costs associated with TRTP incurred by SCE that the FERC does not allow SCE to recover in general transmission rates.³

Issuance of such an order by the Commission will provide necessary assurances to enable SCE to proceed with further licensing, engineering, and construction activities for TRTP. Please refer to the cost recovery testimony attached to this CPCN application for a discussion.

III. PROCEEDING CATEGORY, NEED FOR HEARINGS, AND SCHEDULE

In compliance with Rule 2.1(c) of the Commission's Rules of Practice and Procedure (California Code of Regulations Title 20), SCE is required to state in this Application "the proposed category for the proceeding, the need for hearing, the issues to be considered, and a proposed schedule." SCE proposes to categorize this Application as a ratesetting proceeding. SCE anticipates that hearings will be necessary. This proceeding involves the Commission's (i) environmental review of the proposed Project in compliance with the CEQA and the Commission's G.O. 131-D; (ii) issuance of a CPCN authorizing SCE to construct the project; and (iii) establishment of the Pub. Util. Code Section 399.25(b)(4) mechanism for recovery of costs.

SCE suggests the following proposed schedule for this Application. The schedule assumes the Commission will approve the Environmental Impact Report at a Commission Meeting following shortly after the expiration of the one-year period following the

³ Specifically, SCE's Transmission Revenue Requirement ("TRR") and the California ISO's ("CAISO's") Transmission Access Charge ("TAC").

Commission's acceptance of a complete application as required by Public Resources Code
§ 21100.2.

Application Filed	6/29/07
Daily Calendar Notice Appears	7/07
Protests	7/30/07
Replies	8/09/07
Application Found Complete	8/07
SCE Supplemental Direct	10/07
Draft EIR Circulated	1/08
Comments on DEIR	2/08
Prehearing Conference	3/08
Interested Party Testimony Due	5/08
SCE Rebuttal Testimony Due	6/08
Evidentiary Hearings	7/08
Concurrent Opening Briefs Due	8/08
Concurrent Reply Briefs Due	9/08
Final EIR Issued	10/08
Proposed Decision Issued	10/08
Comments on Proposed Decision Due	11/08
Reply Comments Due	11/08
Final Decision Issued	12/08

IV. DEPOSIT FOR COSTS

Pursuant to Rule 2.5 of the Commission's Rules of Practice and Procedure, SCE is enclosing with this application a filing fee of \$75.00. Additionally, SCE has complied with Rule 2.5 by sending a deposit in the amount of \$500,000 to the Commission's Energy Division on March 12, 2007, to be applied to the costs of the Commission incurs to prepare an environmental impact report for this project. The remaining deposits will be sent to the Commission according to the schedule, which is set forth in Rule 2.5(c).

V. LOCATION OF ITEMS REQUIRED BY PUBLIC UTILITIES CODE SECTION 1003, COMMISSION'S RULE 3.1, AND GENERAL ORDER 131-D

The Public Utilities Code, the Commission's Rules of Practice and Procedure, and the Commission's General Orders require various items of information to be submitted with CPCN

applications. The table below lists the items, the authority which dictates the submittal, and references where the information is included in SCE's filing.

CPCN APPLICATION FILING REQUIREMENTS

Requirement	Authority	Testimony or Appendix	PEA
A detailed description of the proposed project	G.O. 131-D, IX.A.1.a; Rule 3.1(a); Public Utilities Code 1003(a)		3.0
A project map	G.O. 131-D, IX.A.1.b; Rule 3.1(c)		Figure ES-1 and 3.1-1
A purpose and need statement	G.O. 131-D, IX.A.1.c; Rule 3.1(c)		1.0
Project Implementation Plan	Public Utilities Code 1003(b)	A Project Plan	
Design, Construction Management and Cost Control Plan	Public Utilities Code 1003(e)	A Project Plan	
A detailed statement of the estimated cost	G.O. 131-D, IX.A.1.d; Rule 3.1(f); Public Utilities Code 1003(c)	Testimony	
Route selection including comparison with alternative routes	G.O. 131-D, IX.A.1.e		2.3
A project schedule showing the program of right-of-way acquisition and construction	G.O. 131-D, IX.A.1.f	A Project Plan	
Governmental Agency Notification and Position Statements	G.O. 131-D, IX.A.1.g		Appendix C
PEA	G.O. 131-D, IX.A.1.h		Submitted with Application
EMF Field Study	G.O. 131-D, Section X.A	B	
Notice of Application	G.O. 131-D, XI.A	C	
Articles of Incorporation (Rule 2.3)	CPUC Information and Criteria List Appendix B, 2.2; Rule 2.2, Public Utilities Code 1004	D	
Financial Statement (Rule 2.3); Statements and/or exhibits showing financial ability of applicant to render service; Annual Report and/or Proxy Statement	CPUC Information and Criteria List Appendix B, 2.3; Rule 3.1(g) and (1); Rule 2.3	E	
Names/addresses of all utilities, corporations, persons or entities with which the proposed construction is likely to compete	Rule 3.1(b)	F	

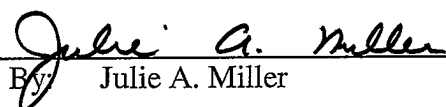
Requirement	Authority	Testimony or Appendix	PEA
List identifying the health & safety permits required	Rule 3.1(d)		Table M-1, Appendix M
Annual revenue requirement	Rule 3.1(h); Public Utilities Code 1003(d)	G	

VI. CONCLUSION

For all the above reasons, SCE respectfully requests the Commission issue a CPCN for the TRTP.

Respectfully submitted,

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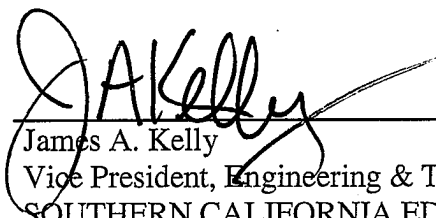
Dated: June 29, 2007

VERIFICATION

I am an officer of the applicant corporation herein, and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this **29th day of June 2007**, at Rosemead, California.



James A. Kelly
Vice President, Engineering & Technical Services
SOUTHERN CALIFORNIA EDISON COMPANY

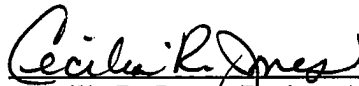
2244 Walnut Grove Avenue
Post Office Box 800
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CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of **APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT THE TEHACHAPI RENEWABLE TRANSMISSION PROJECT** on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.

Executed this **29th day of June 2007**, at Rosemead, California.



Cecilia R. Jones, Project Analyst
SOUTHERN CALIFORNIA EDISON COMPANY

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